

## International Forest Associations Identify Critical Unresolved EUDR Issues Ahead of April Review

Submitted on behalf of international Forest Products Value Chain Stakeholders

### Introduction

We, the undersigned organizations representing the forest products value chain, appreciate the opportunity to respond to the European Commission's call for comments regarding the recently amended **EU Deforestation Regulation (EUDR)**. As countries benchmarked as low-risk for global deforestation, we share the Commission's objective of preventing global deforestation and forest degradation and strongly support policies that promote sustainable forest management worldwide. Targeted simplification and amendment efforts made since the adoption of the Regulation have brought implementation streamlining and compliance cost reductions to EU-based supply chains. However, the simplification and administrative burden benefits in the latest amendments are not available to non-EU based market participants. The result is an exponential increase in unnecessary compliance costs and data volume collected for low-risk countries outside the EU versus our European counterparts. Additional simplifications are necessary to strengthen the effectiveness, credibility, and proportionality of the EUDR—ensuring it focuses resources where deforestation risk is greatest, while preserving stable access to sustainably sourced forest products for EU operators and consumers.

### Unique forest products supply chains

The forest products supply chain is fundamentally different from those of other commodities that may be linked to deforestation. Forest products are produced **from** forests, while most other commodities are produced by **replacing** forests. In low-risk country supply chains that operate under sustainable forest management systems, trees are harvested and regenerated on the same land base over repeated cycles that maintain economic, environmental, and social forest values for present and future generations, rather than cleared and permanently converted to another land use.

While we acknowledge the Commission's recent amendments and ongoing efforts to simplify implementation, these changes do **not go far enough** to address fundamental misalignments between EUDR requirements and the realities of low-risk forest product supply chains outside the EU.

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### Why Additional Changes Are Needed

The December 2025 amendments substantially eased compliance obligations that are only available to EU-based downstream and small/micro players, thus creating a very unequal playing field for low-risk countries outside the EU. The EUDR framework, even as amended,

continues to apply **uniform and highly granular traceability and geolocation requirements** to supply chains that are already demonstrably low risk. This results in compliance obligations that are **costly, operationally impractical, and disconnected from deforestation risk**.

In particular, the requirement for **plot-specific geolocation and traceability through every fiber flow process step** is fundamentally misaligned within forest product value chains, where outcomes are achieved through sustainable management systems, not batch segregation. Plot level data requirements applied regardless of risk classification creates disconnected administrative burdens and data volume requirements for low-risk, non-EU suppliers. Many forest product supply chains are characterized by millions of small, non-commercial, private timberland owners within established and controlled wood fiber sourcing areas. These producers estimate that a single shipment of pulp or paper may include **thousands of individual plots of land**, and a single container can require **tens of thousands of geolocation data points**, despite originating in countries with well-established forest governance and negligible deforestation risk.

These requirements do not enhance the EU's ability to prevent deforestation. Instead, they divert resources away from forest management, innovation, and trade, while creating **non-tariff trade barriers** that are disproportionate to deforestation risk and conflict with broader trade relationship objectives. Ultimately, disrupting low-risk supply chains without delivering additional environmental benefits.

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## Negative Consequences of Inaction

If further simplification for low-risk countries is not adopted, the current EUDR framework will produce consequences that **undermine both economic and environmental objectives**, including:

- **Disproportionate impacts on small forest landowners**
- **Loss of small landowner access to EU- markets**
- **Severe challenges for small sawmills and wood residual suppliers**, whose by-products are blended from multiple sustainable sources, making plot-level traceability practically impossible.
- **Increased waste and higher carbon emissions** would result, as forest residuals and by-products would be left stranded without markets and diverted to landfill or incineration, increasing the carbon release cycle instead of being used in long-lived products.
- **Reduced forest management activity and potential for increased land-use conversion-**outcomes that run directly counter to the objectives of the EUDR.

In addition, EU operators who rely on imported low-risk fiber from non-EU countries face **higher costs, supply uncertainty, and reduced sourcing options**, further distorting trade without advancing deforestation prevention.

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## **Proposed Solutions That Preserve the Intent of the EUDR**

We believe these challenges can be addressed through further **targeted, risk-based traceability simplifications for forest products originating from low-risk countries** that preserve the EUDR’s core objective—preventing global deforestation—while reducing unnecessary burdens for low-risk supply chains.

### **Recommendation #1 Options:**

- 1. Allow ‘country of origin’ geolocation, for low risk countries.**
- 2. Amend or clarify the Definition of “Plot of Land” for Low-Risk Countries**

These options (see Appendix) would still enable meaningful risk assessment while:

- Maintaining full alignment with the EUDR’s environmental intent
- Significantly reducing unnecessary administrative and compliance costs
- Lowering data-volume pressure on the TRACES system
- Enabling proportional, risk-based traceability that reflects real deforestation risk
- Protecting small and micro-operators while preserving regulatory oversight

### **Recommendation #2**

That the Commission adopt a delegated act amending **Annex I** to exclude the portion of products made from **forest residuals and sawmill by-products originating in low-risk countries**. These materials, falling under Chapter 4401 of the Commodity Nomenclature (wood in chips or particles; sawdust and wood waste and scrap) make strict traceability highly impractical, do not drive deforestation, and are essential to circular forest product supply chains.

### **Rationale:**

Excluding these materials would:

- Prevent waste and unnecessary carbon emissions
- Support efficient use of forest resources
- Preserve market participation by upstream small landowners and forest managers
- Reduce compliance burdens that offer no additional environmental benefit
- Promote sustainable, circular bioeconomy outcomes consistent with EU policy goals

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## Conclusion

A policy approach that treats forest products the same as deforestation-driven agricultural commodities risks weakening both forest protection and global sustainability outcomes.

Forests are not lost because they are managed—they are lost when they are **converted**. Forest products supply chains, when grounded in sustainable forest management, are structurally different from agricultural commodities that drive deforestation. Global regulations such as the EUDR will achieve stronger environmental outcomes if they reflect these differences, apply proportionate, risk-based obligations, and recognize the role of sustainably managed forests as part of the solution to climate change, biodiversity loss, and material sustainability.

Continued application of high-cost, high-complexity requirements to low-risk supply chains deliver no measurable environmental benefit and risks undermining both trade and sustainability outcomes.

We respectfully urge the Commission to build on recent amendments by adopting **additional, targeted simplifications for low-risk countries**. These changes would strengthen the effectiveness, credibility, and proportionality of the EUDR for low-risk supply chains—ensuring it focuses resources where deforestation risk is greatest, while preserving stable trade relationships and access to sustainably sourced forest products for EU operators and consumers.

### *Signatories:*

Forest Products Association of Canada  
Australian Forest Products Association  
Japan Paper Association  
American Forest & Paper Association  
New Zealand Forest Owners Association

## Appendix:

1. **See suggested wording for Article 13 for ‘country of origin’ geolocation for low risk countries.**

### Article 13

#### Simplified due diligence

(1). When placing relevant products on the market or exporting them, operators shall not be required to fulfil the obligations under Articles 10 and 11, **and shall demonstrate compliance with obligations under Article 9(1) point d by complying with obligations under Article 9 (1) point (c)**, where, after having assessed the complexity of the relevant supply chain and the risk of circumvention of this Regulation or the risk of mixing with products of unknown origin or origin in high-risk or standard-risk countries or parts thereof, they have ascertained that all relevant commodities and relevant products have been produced in countries or parts thereof that were classified as low risk in accordance with Article 29.

2. **Amend or clarify the Definition of “Plot of Land” for Low-Risk Countries**

Amend Article 2(27) to allow sub-national, jurisdictional or regional geolocation for forest products originating in countries already classified as low risk as follows:

“Plot of land” means land, within a single real-estate property, as recognized by the law of the country of production, which enjoys sufficiently homogeneous conditions to allow an evaluation of the aggregate level of risk of deforestation and forest degradation associated with relevant commodities produced on that land.